

**CALCASIEU PARISH PUBLIC
TRUST AUTHORITY**

Financial Statements and Schedules

With Independent Auditors' Report

May 31, 2006 and 2005

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Calcasieu Parish Public Trust Authority
Lake Charles, Louisiana

We have audited the accompanying statements of net assets of the Calcasieu Parish Public Trust Authority (the Authority), a component unit of the Calcasieu Parish Police Jury, as of May 31, 2006 and 2005, and the related statements of revenues, expenses and changes in net assets, fund equity, and cash flows for the years then ended. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards of the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation. We believe our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Calcasieu Parish Public Trust Authority as of May 31, 2006 and 2005, and the results of its operations and its cash flows for the years then ended in conformity with generally accepted accounting principles of the United States of America.

The Management's Discussion and Analysis on pages 3 through 6 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and do not express an opinion on it.

Our audits were made for the purpose of forming an opinion on the financial statements taken as a whole. The supplementary information included on pages 30 through 33 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audits of the combined financial statements and, in our opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.

To the Board of Trustees
Calcasieu Parish Public Trust Authority
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In accordance with *Government Auditing Standards*, we have also issued our report dated November 23, 2006 on our consideration of Calcasieu Parish Public Trust Authority's internal control over financial reporting and our tests of its compliance with certain provisions of laws and regulations, contracts, and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance, and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Governmental Auditing Standards, and should be read in conjunction with this report in considering the results of our audits.

Langley, William B., Jr.

November 23, 2006

Calcasieu Parish Public Trust Authority

Management's Discussion and Analysis

May 31, 2006 and 2005

This section of the Calcasieu Parish Public Trust Authority's (the Authority) financial report presents a discussion and analysis of the Authority's financial performance during the fiscal year that ended May 31, 2006. Please read it in conjunction with the Authority's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

The Authority implemented GASB 34 *Basic Financial Statements – and Management's Discussion and Analysis for the State and Local Governments*, in fiscal year 2003. The Authority is a component unit of the Parish of Calcasieu, Louisiana.

The Authority's equity represents 14.6% of its assets. With total assets approximating \$31,115,000, the Authority realized operating income in the amount of \$154,116 for the fiscal year ended May 31, 2006 compared to an operating income of \$34,282 for fiscal year ended May 31, 2005.

The Authority's net assets increased from \$4,396,000 as of May 31, 2005 to \$4,548,000 as of May 31, 2006.

OVERVIEW OF THE FINANCIAL STATEMENTS

This financial report consists of four parts: management's discussion and analysis (this section), the basic financial statements, the notes to the financial statements, and supplementary information.

The financial statements provide both long-term and short-term information about the Authority's overall financial status. The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of other supplementary information that further explains and supports the information in the financial statements.

The Authority's financial statements are prepared on an accrual basis in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. Under this basis of accounting, revenues are recognized in the period in which they are earned, expenses are recognized in the period in which they are incurred, and depreciation of assets is recognized in the Statements of Revenues, Expenses, and Changes in Net Assets. All assets and liabilities associated with the operation on the Authority are included in the Statements of Net Assets.

Statements of Net Assets report the Authority's net assets. Net assets, the difference between the Authority's assets and liabilities, are one way to measure the Authority's financial health or position.

Calcasieu Parish Public Trust Authority

Management's Discussion and Analysis

May 31, 2006 and 2005

FINANCIAL ANALYSIS OF THE AUTHORITY

Net Assets

The Authority's total net assets at May 31, 2006 were \$4,548,000, a slight increase of 3.4% from net assets as of May 31, 2005 in the amount of \$4,396,000 (See Table A-1). Total assets decreased 12.1% to \$31,115,000, and total liabilities decreased 14.4% to \$26,567,000.

Table A-1
Calcasieu Parish Public Trust Authority
(in thousands of dollars)

	<u>2006</u>	<u>2005</u>	<u>Increase (Decrease)</u>
Cash and cash equivalents	\$ 846	\$ 1,508	\$ (662)
Loans, mortgage-backed securities and investments	29,639	33,148	(3,509)
Other assets	<u>630</u>	<u>764</u>	<u>(134)</u>
Total assets	\$ <u>31,115</u>	\$ <u>35,420</u>	\$ <u>(4,305)</u>
Other liabilities	\$ 204	\$ 221	\$ (17)
Bonds payable	<u>26,363</u>	<u>30,803</u>	<u>(4,440)</u>
Total liabilities	26,567	31,024	(4,457)
Net Assets, principally restricted for debt	<u>4,548</u>	<u>4,396</u>	<u>152</u>
Total liabilities and net assets	\$ <u>31,115</u>	\$ <u>35,420</u>	\$ <u>(4,305)</u>

Total assets decreased by \$4,305,000 largely due to the payments of bond principal amounts in the various funds of \$5,000,000.

Calcasieu Parish Public Trust Authority

Management's Discussion and Analysis

May 31, 2006 and 2005

Changes in Net Assets

The change in net assets from operations at May 31, 2006 was an increase of \$154,000 compared to a increase of \$34,000 at May 31, 2005. Total operating revenues decreased by 11.7% to \$1,594,000 and total operating expenses decreased by 19.4% to \$1,440,000. The changes in net assets are detailed in Table A-2, operating expenses are detailed in Table A-3.

The increase in net assets is primarily a result of the operating revenues in excess of operating expenses.

Table A-2
Calcasieu Parish Public Trust Authority's Changes in Net Assets
(in thousands of dollars)

	<u>2006</u>	<u>2005</u>	<u>Increase (Decrease)</u>
Operating revenues:			
Investment income	\$ 1,522	\$ 1,644	\$ (122)
Other	<u>72</u>	<u>162</u>	<u>(90)</u>
Total operating revenues	1,594	1,806	(212)
Operating expenses	<u>1,440</u>	<u>1,772</u>	<u>(332)</u>
Change in net assets from operations	154	34	120
Change in net assets from extraordinary item	-	(61)	61
Change in net assets from residual transfers	<u>(2)</u>	<u>12</u>	<u>(14)</u>
Changes in net assets	152	(15)	167
Total net assets, beginning of the year	<u>4,396</u>	<u>4,411</u>	<u>(15)</u>
Total net assets, end of the year	\$ <u>4,548</u>	\$ <u>4,396</u>	\$ <u>152</u>

Investment income decreased 7.4% to \$1,522,000.

Calcasieu Parish Public Trust Authority

Management's Discussion and Analysis

May 31, 2006 and 2005

Table A-3
Calcasieu Parish Public Trust Authority's Operating Expenses
(in thousands of dollars)

	<u>2006</u>	<u>2005</u>	<u>Increase (Decrease)</u>
Interest on debt	\$ 1,113	\$ 1,410	\$ (297)
Amortization of bond issuance and other costs	125	81	44
Servicing and financing fees	77	157	(80)
Other	<u>125</u>	<u>124</u>	<u>1</u>
Total operating expenses	\$ <u>1,440</u>	\$ <u>1,772</u>	\$ (<u>332</u>)

DEBT ADMINISTRATION

Debt Administration

Total indebtedness for bonds payable was \$26,364,000 as of May 31, 2006 compared to \$30,802,000 as of May 31, 2005. The decrease in bonds payable included the payoff of the 1997 series in the amount of \$95,000, as well as other required principal payments as stated in the indenture agreements. There were no new bond issuances.

All bond debt covenants have been met.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our bondholders, patrons, and other interested parties with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Calcasieu Parish Public Trust Authority at (337) 721-3650.

CALCASIEU PARISH PUBLIC TRUST AUTHORITY

Statements of Net Assets

May 31, 2006 and 2005

Assets	2006	2005
Cash and cash equivalents	\$ 846,309	\$ 1,507,742
Investment securities at fair value	8,222,285	11,234,301
Mortgage loans receivable and mortgage-backed securities	21,417,501	21,902,785
Accrued interest receivable	141,741	146,097
Real estate acquired from foreclosures	-	11,337
Bond issuance costs	487,982	616,154
Other assets	-	1,868
Total assets	<u>\$31,115,818</u>	<u>\$35,420,284</u>
Liabilities and Net Assets		
Liabilities:		
Accounts payable	\$ 21,581	\$ 15,221
Bonds payable:		
Due in one year	1,336,570	1,163,411
Due after one year	25,027,085	29,639,573
Accrued interest payable	182,067	205,811
Total liabilities	26,567,303	31,024,016
Net Assets:		
Restricted for debt	1,554,375	2,142,165
Unrestricted	2,994,140	2,254,103
Total net assets	<u>4,548,515</u>	<u>4,396,268</u>
Total liabilities and net assets	<u>\$31,115,818</u>	<u>\$35,420,284</u>

See accompanying notes to financial statements.

CALCASIEU PARISH PUBLIC TRUST AUTHORITY

Statements of Revenues, Expenses
and Changes in Net Assets

For the Years Ended May 31, 2006 and 2005

	<u>2006</u>	<u>2005</u>
Operating revenues:		
Investment income on mortgage loans	\$ 1,117,129	\$ 1,278,126
Investment income on investments	405,381	366,270
Commitment fees	71,719	154,707
Net recoveries from foreclosures	-	7,160
Total operating revenues	<u>1,594,229</u>	<u>1,806,263</u>
Operating expenses:		
Interest on debt	1,112,983	1,409,705
Amortization of bond issuance costs and other costs	125,014	80,899
Servicing and financing fees	76,721	156,995
Mortgage loan insurance costs	2,335	4,220
Loss from foreclosure	11,337	-
Trustee fees	17,871	22,230
Legal, accounting and auditing fees	21,786	25,133
Other operating expenses	<u>72,070</u>	<u>72,799</u>
Total operating expenses	<u>1,440,116</u>	<u>1,771,981</u>
Operating income	154,113	34,282
Extraordinary item:		
Loss on early extinguishment of debt	<u>-</u>	<u>(61,431)</u>
Change in net assets	<u>\$ 154,113</u>	<u>\$ (27,149)</u>

See accompanying notes to financial statements.

CALCASIEU PARISH PUBLIC TRUST AUTHORITY

Statements of Fund Equity

For the Years Ended May 31, 2006 and 2005

	<u>2006</u>	<u>2005</u>
Retained Earnings:		
Balance at beginning of year	\$ 1,998,145	\$ 2,012,814
Change in net assets	154,113	(27,149)
Residual transfers	<u>(1,868)</u>	<u>12,478</u>
Balance at end of year	2,150,390	1,998,143
Paid-in Capital		
Balance at beginning and end of year	<u>2,398,125</u>	<u>2,398,125</u>
Total Fund Equity	4,548,515	4,396,268
Fund equity reserved under provisions of bond indentures	<u>(1,554,375)</u>	<u>(2,142,165)</u>
FUND EQUITY, unreserved	<u><u>\$2,994,140</u></u>	<u><u>\$2,254,103</u></u>

See accompanying notes to financial statements.

CALCASIEU PARISH PUBLIC TRUST AUTHORITY

Statements of Cash Flows

For the Years Ended May 31, 2006 and 2005

	<u>2006</u>	<u>2005</u>
Cash Flows From Operating Activities:		
Change in net assets:	\$ 154,113	\$ (27,148)
Adjustments to reconcile to net cash provided by (used in) operating activities:		
Amortization, net of accretion	(107,483)	40,821
Net (recovery) losses from foreclosures	11,337	(7,152)
Gain on sale of mortgage loans	-	(18,169)
Net changes in:		
Accrued interest receivable	4,358	12,091
Accounts payable	6,363	9,979
Accrued interest payable	(23,743)	(22,457)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	44,944	(12,035)
Cash Flows From Financing Activities:		
Proceeds from issuance of bonds	(310,227)	10,687,531
Principal payments on bonds	(3,893,528)	(4,831,806)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(4,203,755)	5,855,725
Cash Flows From Investing Activities:		
Collections of mortgage loans receivable	3,614,350	1,351,475
Purchase of mortgage loan	(19,427)	-
Proceeds from sales of other real estate	-	11,645
Proceeds from investment securities maturities	4,548,303	11,794,077
Purchases of investment securities	(4,645,847)	(18,317,649)
NET CASH PROVIDED BY INVESTING ACTIVITIES	3,497,379	(5,160,452)
Net increase (decrease) in cash	(661,432)	683,238
Cash and cash equivalents, beginning of year	1,507,741	824,503
Cash and cash equivalents, end of year	\$ 846,309	\$ 1,507,741

Supplemental Disclosure: Cash paid for bond interest was \$1,089,238 and \$1,500,972 in 2006 and 2005, respectively.

See accompanying notes to financial statements.

Calcasieu Parish Public Trust Authority
NOTES TO FINANCIAL STATEMENTS

May 31, 2006 and 2005

1. Organization:

The Calcasieu Parish Public Trust Authority was created through a trust indenture dated May 14, 1979, pursuant to provisions of Chapter 2-A of Title 9 of the Louisiana Revised Statutes of 1950, as amended. The Authority is a legal entity separate and apart from the parish government, although the parish government is the ultimate beneficiary of all residuals of the trust estate. The initial legislation and subsequent amendments grant the Authority the right to obtain resources to promote the financing and development of any essential program conducted in the public's interest within the boundaries of Calcasieu Parish, Louisiana. The Authority's primary activities involve the issuance of bonds to obtain resources for the purpose of assisting in the financing of housing needs for persons of low and moderate incomes in Calcasieu Parish.

The bonds are solely the obligations of the Authority and are payable from revenues derived from mortgage loans, mortgage-backed securities and investments acquired pursuant to the indentures to which such bonds relate. The bonds are not obligations of Calcasieu Parish or any other governmental entity.

The Authority is managed by a Board of Trustees empowered to contract with outside parties to conduct the operations of the various programs. The Authority also contracts with national banking institutions to serve as trustee for each of its bond programs or as its custodial bank for the Authority's unrestricted resources.

The financial statements of the individual bond funds are presented on a combined basis. All interfund transactions have been eliminated. The Authority maintains a separate self-balancing set of books (a fund) for each bond program and an operating fund to account for its unrestricted assets. The assets of each individual bond fund are restricted under the related bond indentures. Accordingly, the combined totals on the financial statements are not intended to indicate that the combined assets are available for any purpose due to the contractual restrictions imposed on certain assets and the income derived therefrom. Additionally, the combined totals do not present consolidated financial information. Included in the totals are unrestricted assets that are available to the Authority for its unrestricted use.

2. Summary of Significant Accounting Policies:

Basis of Presentation

The Authority adopted the provisions of Governmental Accounting Standards Board Statement No. 34 *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* (Statement 34) in 2003. Statement 34 established financial reporting standards for all state and local governments and related entities. Statement 34 primarily related to presentation and disclosure requirements and had no impact on total net assets presented.

Calcasieu Parish Public Trust Authority
NOTES TO FINANCIAL STATEMENTS

May 31, 2006 and 2005

2. Summary of Significant Accounting Policies: (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting policies of the Authority conform to accounting principles generally accepted in the United States of America as applicable to governments. The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses, excluding amortization, are recorded when a liability is incurred, regardless of the timing of related cash flows. The Authority has no government or fiduciary funds.

The Authority used fund accounting to report its financial position and results of operations. The accounts of the Authority are organized on the basis of individual programs. The Programs, which are administered by a trustee bank, provide for a separate set of self-balancing accounts, which account for bonds issued, debt service and bond redemption requirements, investments, and related revenues and operating expenses. These individual Programs are aggregated in the financial statements to comprise the fund of the Authority.

The Authority's accounts are organized into a single proprietary fund. The enterprise fund (a proprietary fund) is used to account for operations (a) that are operated in a manner similar to private business where the intent of the governing body is that the cost (expense, including depreciation) of providing goods and services to the general public is financed or recovered primarily through user charges or (b) where the governing body has decided that the periodic determination of revenues earned, expenses incurred and/or changes in net assets is appropriate for capital maintenance.

The Authority's principal operating revenues are the interest and appreciation (depreciation) related to investments and mortgages/mortgage-backed securities. The Authority applies all applicable FASB pronouncements issued on or before November 30, 1989 in accounting for its operations unless those pronouncements conflict or contradict GASB pronouncements.

The Authority's financial statements are presented in accordance with generally accepted accounting principles adopted by the Governmental Accounting Standards Board (GASB) as applicable to all state and local governments.

Cash Equivalents

Cash and cash equivalents are stated at cost which approximates fair market value. For financial statement purposes, the Authority considers cash, demand deposits, certificates of deposit and debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Calcasieu Parish Public Trust Authority
NOTES TO FINANCIAL STATEMENTS

May 31, 2006 and 2005

2. Summary of Significant Accounting Policies: (Continued)

Investment Securities

Bonds and notes are carried at cost, adjusted for premiums and discounts that are recognized in interest income using the interest method over the period to maturity. The Board intends to hold such investments to maturity. Gains and losses on the sale of investments are determined using the specific-identification method.

Mortgage-Backed Securities

Mortgage-backed securities are stated at cost, adjusted for amortization of premiums and accretion of fees and discounts using a method that approximates level yields. These securities are issued by the Government National Mortgage Association (GNMA) or the Federal National Mortgage Association (FNMA). Such securities are backed by mortgage loans originated in Calcasieu Parish, Louisiana. Monthly payments of principal and interest are passed through to the Authority to finance debt service payments and other administrative costs. The Authority has adequate liquidity and capital, and it is generally the Board's intention to hold such assets to maturity. Should any be sold, gains and losses will be recognized based on the specific identification method.

Mortgage loans receivable

Mortgage loans receivable are stated at unpaid principal balances, less the deferred revenues received for its commitment to purchase the loans. The deferred revenues are amortized over the life of the loan and recognized as a component of interest income. In the event of an extraordinary mandatory redemption of the bonds due to non-origination of mortgage loans, the entire unamortized balance is recognized as commitment fee income.

The allowance for loan losses is increased by charges to income and recoveries and decreased by charge-offs. Management's periodic evaluation of the adequacy of the allowance is based on the Authority's past loan loss experience, current economic conditions, insurance protection provided against possible loan losses and any other factors which require consideration in estimating such losses. No allowance is necessary since losses are fully insured.

Calcasieu Parish Public Trust Authority
NOTES TO FINANCIAL STATEMENTS

May 31, 2006 and 2005

2. Summary of Significant Accounting Policies: (Continued)

Real Estate Acquired Through Foreclosures

Real estate properties acquired through loan foreclosure are initially recorded at the unpaid principal balance of the loan. Costs relating to improving the property are capitalized. This real estate must be restored to its original condition, normal wear and tear expected, before the mortgage insurance coverage applies. The excess of the unpaid principal and accrued interest balances over sales proceeds realized is reimbursed under various insurance overages.

Deferred Financing Costs

The cost of issuing mortgage revenue bonds are deferred and amortized over the life of the bonds as a financing expense. In the event all remaining bonds outstanding under a particular issue are retired, the unamortized balance is recognized as a component of the loss from the early extinguishment of debt.

Bond Discounts

Original issue discounts realized upon issuance of bonds are deferred and presented as a reduction of the face amount of bonds payable on the balance sheet. The deferred amount is amortized over the life of the bonds as a component of interest expense. In the event all remaining bonds outstanding under a particular issue are retired, the unamortized balance is recognized as a component of the loss from the early extinguishment of debt.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and changes in net assets during the reporting period. Actual results could differ from those estimates.

Reclassifications

Certain revenues and expenses have been reclassified in the statement of revenues, expenses and changes in net assets for the fiscal year ended May 31, 2005 to conform with the presentation for the fiscal year ended May 31, 2006.

Calcasieu Parish Public Trust Authority
NOTES TO FINANCIAL STATEMENTS

May 31, 2006 and 2005

3. Deposits and Investments:

A. Cash and Cash Equivalents

Cash and cash equivalents include bank accounts and short-term investments.

Custodial Credit Risk- Deposits

Custodial credit risk is the risk that in the event of bank failure the Authority's deposits may not be returned. Deposits are exposed to custodial credit risk if they are either (a) uninsured and uncollateralized, or (b) uninsured and collateralized with securities held by the pledging financial institution or its trust department/agent but not in the name of the Authority.

The Authority had bank balances totaling \$669,813 and \$1,507,742 at May 31, 2006 and 2005, respectively. The FDIC insured cash and cash equivalents in the amount of \$361,842 and \$617,947 at May 31, 2006 and 2005, respectively. The remaining balances of \$307,972 and \$847,907 at May 31, 2006 and 2005 were uninsured and uncollateralized with securities held by the pledging financial institution or its trust department/agent but not in the name of the Authority (b).

B. Investments

Investments are stated at fair value.

Credit Risk- Investments

Investments permitted by state statute include obligations issued, insured or guaranteed by the U.S. government including certificates or other evidences of ownership interest in such obligations and/or investments in registered mutual or trust funds consisting solely of U.S. government securities. The Authority's investment program is limited to purchase of U.S. Treasury and government agency obligations.

Custodial Credit Risk- Investments

Custodial credit risk for investments is the risk that in the event of the failure of the counterparty to a transaction, the Authority will not be able to recover the value of the investment. Investments are exposed to custodial credit risk if the securities are (a) uninsured and unregistered and held by counterparty or (b) uninsured, unregistered and held by the counterparty's trust department or agent but not in the name of the Authority.

Calcasieu Parish Public Trust Authority

NOTES TO FINANCIAL STATEMENTS

May 31, 2006 and 2005

3. Deposits and Investments: (Continued)

The following chart presents the investment position of the Authority as of May 31, 2006. The various investments are listed and presented by whether they are exposed to custodial credit risk.

<u>May 31, 2006</u>	Category	All Investments Reported Amount	All Investment Fair Value
	(b)		
U.S. Treasury Notes	\$ 1,431,260	\$ 1,431,260	\$ 1,407,160
Investment Agreements	6,354,961	6,354,961	6,354,961
FHLB	119,664	119,664	116,862
FHLMC	316,400	316,400	313,158
Totals	<u>\$ 8,222,285</u>	<u>\$ 8,222,285</u>	<u>\$ 8,192,141</u>

<u>May 31, 2005</u>	Category	All Investments Reported Amount	All Investment Fair Value
	(b)		
U.S. Treasury Notes	\$ 955,701	\$ 955,701	\$ 946,790
Investment Agreements	9,861,549	9,861,549	9,861,549
FHLB	119,560	119,560	118,763
FHLMC	297,490	297,490	294,183
Totals	<u>\$ 11,234,300</u>	<u>\$ 11,234,300</u>	<u>\$ 11,221,285</u>

Calcasieu Parish Public Trust Authority

NOTES TO FINANCIAL STATEMENTS

May 31, 2006 and 2005

3. Deposits and Investments: (Continued)

The amortized cost and approximate market value of investment securities are:

<u>May 31, 2006</u>	Amortized Cost	Unrealized Gain (Loss)	Market Value
U.S. Treasury Notes	\$ 1,431,260	\$ (24,100)	\$ 1,407,160
Investment Agreements	6,354,961	-	6,354,961
FHLB	119,664	(2,802)	116,862
FHLMC	316,400	(3,242)	313,158
Totals	<u>\$ 8,222,285</u>	<u>\$ (30,144)</u>	<u>\$ 8,192,141</u>

<u>May 31, 2005</u>	Amortized Cost	Unrealized Gain (Loss)	Market Value
U.S. Treasury Notes	\$ 955,701	\$ (8,911)	\$ 946,790
Investment Agreements	9,861,549	-	9,861,549
FHLB	119,560	(798)	118,763
FHLMC	297,490	(3,307)	294,183
Totals	<u>\$ 11,234,300</u>	<u>\$ (13,015)</u>	<u>\$ 11,221,285</u>

Calcasieu Parish Public Trust Authority
NOTES TO FINANCIAL STATEMENTS

May 31, 2006 and 2005

3. Deposits and Investments: (Continued)

C. Mortgage-Backed Securities

Monthly principal and interest payments from the GNMA and FNMA mortgage-backed securities are guaranteed by GNMA and FNMA. Payments flow through to the holders of the Mortgage Revenue Bonds.

<u>May 31, 2006</u>	Amortized Cost	Unrealized Gain (Loss)	Market Value
GNMA	\$ 14,107,376	\$ (586,661)	\$ 13,520,715
FNMA	6,020,733	(267,850)	5,752,883
	<u>\$ 20,128,109</u>	<u>\$ (854,511)</u>	<u>\$ 19,273,598</u>

<u>May 31, 2005</u>	Amortized Cost	Unrealized Gain (Loss)	Market Value
GNMA	\$ 15,539,301	\$ (26,792)	\$ 15,512,509
FNMA	4,605,290	2,937	4,608,227
	<u>\$ 20,144,591</u>	<u>\$ (23,855)</u>	<u>\$ 20,120,736</u>

These investments mature after 10 years.

D. Mortgage Loans Receivable

Mortgage loans are pledged as security on the Mortgage Revenue Refunding Bonds as follows:

	<u>May 31, 2006</u>	<u>May 31, 2005</u>
1992 Series B	\$ -	\$ 20,884
2002 Series B	1,188,899	1,649,083
Operating Fund	<u>100,493</u>	<u>88,226</u>
	<u>\$ 1,289,392</u>	<u>\$ 1,758,193</u>

Calcasieu Parish Public Trust Authority
NOTES TO FINANCIAL STATEMENTS

May 31, 2006 and 2005

4. Mortgage Revenue Bonds Payable:

Mortgage revenue bonds outstanding are as follows:

	<u>May 31, 2006</u>	<u>May 31, 2005</u>
1989 Series A:		
Current interest bonds, dated December 1, 1989, with a scheduled maturity on June 1, 2021, bearing interest at 7.90% payable monthly	\$ 98,884	\$ 102,412
1997 Series A:		
Fixed rate bonds, dated April 1, 1997, due April 1, 2032 bearing interest of 4.375% payable semiannually on October 1, and April 1	-	47,500
Convertible option bonds, dated April 1, 1997, due April 1, 2032 bearing interest of 6.4% payable semiannually on October 1 and April 1	-	47,500

Calcasieu Parish Public Trust Authority
NOTES TO FINANCIAL STATEMENTS

May 31, 2006 and 2005

4. Mortgage Revenue Bonds Payable: (Continued)

	<u>May 31, 2006</u>	<u>May 31, 2005</u>
1998 Series A:		
Fixed rate bonds, dated April 1, 1998, due April 1, 2012 bearing interest of 5.55% payable semiannually on October 1 and April 1	2,036,087	2,204,904
Fixed rate bonds, dated April 1, 1998, due April 1, 2032 bearing interest of 6.10% payable semiannually on October 1 and April 1	2,128,407	3,088,746
2000 Series A:		
Fixed rate bonds dated April 1, 2000, due April 1, 2031 bearing interest at 7.0% payable semiannually on April 1 and October 1.	260,698	352,394
Fixed rate bonds dated April 1, 2000, due October 1, 2031 bearing interest at 7.0% payable semiannually on April 1 and October 1.	551,730	786,305
2001 Series A:		
Fixed note bonds dated April 1, 2001, due October 1, 2016, bearing interest at 5.2% payable semiannually on April 1 and October 1.	-	140,000
Fixed rate bonds dated April 1, 2001, due April 1, 2032, bearing interest at 6.05% payable semiannually on April 1 and October 1.	3,505,772	4,061,506
Fixed rate bonds dated April 1, 2001, due October 1, 2032, bearing interest at 5.85% payable semiannually on April 1 and October 1.	2,168,205	2,702,877

Calcasieu Parish Public Trust Authority
NOTES TO FINANCIAL STATEMENTS

May 31, 2006 and 2005

4. Mortgage Revenue Bonds Payable: (Continued)

	<u>May 31, 2006</u>	<u>May 31, 2005</u>
2002 Series A:		
Fixed note bonds dated April 1, 2002, due October 1, 2024, bearing interest at 4.0% until April 1, 2003 and 5.75% thereafter payable semiannually on April 1 and October 1.	71,410	310,907
Fixed rate bonds dated April 1, 2002, due April 1, 2033, bearing interest at 4.5% until April 1, 2003 and 6.05% payable semiannually on April 1 and October 1.	1,002,790	1,002,790
2002 Series B:		
Fixed rate bonds dated April 1, 2002, due October 1, 2012, bearing interest at 5.5% payable semiannually on April 1 and October 1.	790,000	1,355,000
2003 Series B:		
Fixed note bonds dated August 15, 2003, due April 1, 2033, bearing interest at 5.0% payable semiannually on April 1 and October 1.	270,022	313,411
Fixed rate bonds dated August 15, 2003, original amount of \$2,515,000 due April 1, 2028, original amount of \$2,095,000 due April 1, 2034, bearing interest at 5.0% payable semiannually on April 1 and October 1.	3,748,507	4,235,950
2004 Series A:		
Fixed rate bonds dated August 5, 2004, due January 1, 2038, bearing interest at 2.35% payable, paid monthly	5,505,669	9,118,647

Calcasieu Parish Public Trust Authority

NOTES TO FINANCIAL STATEMENTS

May 31, 2006 and 2005

4. Mortgage Revenue Bonds Payable: (Continued)

2004 Series B:	<u>May 31, 2006</u>	<u>May 31, 2005</u>
Fixed note bonds dated August 5, 2004, due January 1, 2038, Bearing variable rate 5.152% to 5.395%, paid monthly	262,184	403,137
Fixed note bonds dated August 5, 2004, due January 1, 2038, Bearing variable rate 5.152% to 5.395%, paid monthly	333,251	528,998
Fixed note bonds dated January 1, 2005, due January 1, 2038, Bearing variable rate 5.07% to 5.27%, paid monthly	1,964,744	-
Fixed note bonds dated February 6, 2006, due January 1, 2038, Bearing variable rate 5.12% to 5.12%, paid monthly	787,915	-
Fixed note bonds dated March 1, 2006, due January 1, 2038, Bearing variable rate 5.22% to 5.22%, paid monthly	<u>478,781</u>	<u>-</u>
	\$ <u>26,363,655</u>	\$ <u>30,802,985</u>

Debt maturities and sinking fund requirements during each of the five years ending May 31, 2007 through May 31, 2011 and thereafter are as follows:

<u>Ending May 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2007	\$ 1,336,570	\$ 1,293,911	\$ 2,630,482
2008	1,346,570	1,215,749	2,562,319
2009	996,570	1,141,889	2,138,459
2010	966,570	1,082,767	2,049,337
2011	971,570	1,025,761	1,997,331
Thereafter	<u>20,745,805</u>	<u>13,090,013</u>	<u>32,898,252</u>
	\$ <u>26,363,655</u>	\$ <u>18,850,090</u>	\$ <u>44,276,180</u>

Calcasieu Parish Public Trust Authority

NOTES TO FINANCIAL STATEMENTS

May 31, 2006 and 2005

4. Mortgage Revenue Bonds Payable: (Continued)

The 1992 Series B bonds are subject to redemption at par on certain dates prior to their stated maturities when prepayments of the mortgage loans on deposit in certain redemption accounts equal \$25,000 or more. The current interest bonds maturing on November 1, 2012, and the compound interest bonds are subject to redemption on or after November 1, 2002, at the option of the Authority, at any time from available monies at a redemption price equal to 103% of the principal amount called for redemption. The early call premium is reduced 1% on each subsequent November 1 to a redemption price of 100% of the principal amount so called. As of May 31, 2005, all bonds had been called; the Authority realized a loss on early extinguishment of debt in the amount of \$61,431.

The Series 1997 A bonds are subject to redemption at par at certain dates prior to their stated maturities when prepayments of the mortgage loans are deposited in certain redemption accounts equal \$5,000 or more. The Fixed Rate Bonds bear a stated annual interest of 6.40%. The Convertible Option Bonds bear an annual interest for a 60-day tax-exempt commercial paper published that day or 60% of the bond equivalent rate for a 91-day United States Treasury Bill. The Bonds are subject to redemption on or after April 1, 2007, at the option of the Authority, at any time from available monies at a redemption price equal to 102% of the principal amount called for redemption. The early call premium is reduced by 1% on each subsequent April 1 to a redemption price of 100% of the principal amount so called.

The 1998 Series A bonds are subject to redemption at par at certain dates prior to their stated maturities when prepayments of the mortgage loans are deposited in certain redemption accounts equal \$5,000 or more. The bonds bear stated annual interest ranging from 4.75% to 6.10%. The bonds are subject to redemption, at the option and direction of the Authority, on or after April 1, 2008, at any time from available monies at redemption prices equal to 105% of the principal amount called for redemption on the 2032 bonds and 102% of the principal amount called for redemption on the 2012 and 2024 bonds.

The 2000 Series A Bonds are subject to redemption at par at certain dates prior to their stated maturities when prepayments of the mortgage loans are deposited in certain redemption accounts equal \$5,000 or more. The bonds bear stated annual interest ranging from 7.0% to 7.8%. The bonds are subject to redemption, at the option and direction of the Authority, on or after April 1, 2010, at any time from available monies at a redemption price of 105% of the principal amount called. The early call premium is reduced 1% on each subsequent April 1 to a redemption price of 100% of the principal amount so called.

The 2001 Series A issue consists of \$1,555,000 in Program Bonds and \$8,810,000 in Premium Term Bonds. The Program Bonds are subject to redemption at par and the Premium Term Bonds are subject to redemption at 105% of the principal amount at certain dates prior to their stated maturities when prepayments of the mortgage loans are deposited in certain redemption accounts equal \$5,000 or more. The bonds bear stated annual interest ranging from 5.2% to 6.05%. The bonds are subject to redemption, at the option and direction of the Authority, on or after April 1, 2011, in whole or part at any time from available monies.

Calcasieu Parish Public Trust Authority

NOTES TO FINANCIAL STATEMENTS

May 31, 2006 and 2005

4. Mortgage Revenue Bonds Payable: (Continued)

Bonds maturing on October 1, 2016, are subject to optional redemption on or after April 1, 2011, at a redemption price of 103% of the principal amount called. Bonds maturing between April 1, 2011, and October 1, 2032, are subject to optional redemption on or after April 1, 2011, at a redemption price of 105% of the principal amount called. The early call premium is reduced 1% on each subsequent April 1 to a redemption price of 100% of the principal amount so called.

The 2002 Series A Bonds are subject to redemption at par at certain dates prior to their stated maturities, in part randomly by payment of sinking fund installments beginning on April 1, 2004. The bonds bear stated annual interest ranging from 5.75% to 6.05%. The bonds are subject to redemption, at the option and direction of the Authority, on or after April 1, 2012, at any time from available monies at a redemption price of 105% of the principal amount called. The early call premium is reduced 1% on each subsequent April 1 to a redemption price of 100% of the principal amount so called. The proceeds from these bonds were transferred to the 1991 Bond trustee to pay a portion of the principal redemption price of the 1991 bonds on July 1, 2002 in the amount of \$6,998,250.

The 2002 Series B Bonds are subject to mandatory redemption in part on April 1 and October 1 of each year, commencing October 1, 2002, at a redemption price equal to 100% of the principal amount thereof, together with interest accrued thereon to the redemption date through October 1, 2012. The bonds bear a stated annual interest of 5.5%. These bond proceeds were used to purchase all of the outstanding mortgage loan receivables held under the 1991 Indenture.

The 2003 Series B Bonds are subject to mandatory redemption in part on April 1 and October 1 of each year, commencing October 1, 2004 at a redemption price equal to 100% of the principal amount thereof, together with interest accrued thereon to the redemption date through April 1, 2028 for the PAC bonds in the amount of \$2,515,000 and through April 1, 2034 for the Premium bonds in the amount of \$2,095,000. The bonds are subject to redemption, at the option and direction of the Authority, on or after April 1, 2013, at any time from available monies at a redemption price of 105% of the principal amount called. The early call premium is reduced 1% on each subsequent April 1 to a redemption price of 100% of the principal amount so called. The bonds bear a stated annual interest of 5.0%. These bond proceeds were used to refund certain Single Family Mortgage Revenue Refunding Bonds, 2002 Series A.

Calcasieu Parish Public Trust Authority

NOTES TO FINANCIAL STATEMENTS

May 31, 2006 and 2005

4. Mortgage Revenue Bonds Payable: (Continued)

The 2004 Series A and B Bonds are subject to redemption at the option of the Issuer on January 1 2005, on any date, in whole or in part, at a redemption price equal to 100% of the principal amount thereof, together with interest accrued to, but excluding, such redemption date. The Bonds are subject to mandatory redemption in whole upon the occurrence of a Determination of Taxability on the first date subsequent to such a Determination of Taxability at a redemption price of 100% of the principal amount plus accrued interest to the redemption date. The Bonds are subject to mandatory redemption, in whole or in part on each Interest Payment Date, from money deposited in the Redemption Fund as a redemption price equal to 100% of the principal amount thereof. The Series A bonds bear a stated annual interest of 2.35%. These bond proceeds were used to fund first time home buyers in Imperial Calcasieu, which includes the parishes of Allen, Beauregard, Calcasieu, Cameron and Jefferson Davis.

Calcasieu Parish Public Trust Authority
NOTES TO FINANCIAL STATEMENTS

May 31, 2006 and 2005

5. Revenue Bonds Payable:

The revenue bond issues include a covenant which provides that the bonds are payable solely from payments made by the lessor or owner of the project financed by the bond proceeds. The Authority is under no obligation to pay the bonds from any other source. In accordance with industry standards, the debt and related capital leases are not recorded in the financial statements. The projects and related balances of the debt are as follows:

	<u>May 31, 2006</u>
Industrial Development:	
2004 Series (McNeese State University Stadium Parking)	\$ 680,000
2004 Series (Racca Processing and Specialty Meat, LLC)	1,150,000
Other:	
2001 Series (McNeese State University Student Housing-Cowboy Facilities Inc. Project)	20,900,000
2005 Series (McNeese State University Scoreboard -Cowboy Facilities Inc. Project)	<u>1,760,000</u>
	<u>\$ 24,590,000</u>

6. Related Party Transactions:

The members of the Authority's Board of Trustees receive a per diem payment for each meeting attended and are reimbursed for actual expenses incurred in their capacity as trustees of the Authority. The following payments were made to the members of the Board of Trustees for per diem:

	<u>May 31, 2006</u>	<u>May 31, 2005</u>
Francis Bellows	\$ 1,650	\$ 1,150
Cheryl Burns	1,500	1,000
Herman Busch	1,800	1,150
Tim Castle	1,800	1,200
Doug Hinchee	1,650	1,200
Robert Jones	1,650	1,150
John Nash	1,650	950
Alvin Stevens	1,650	950
Angie Wood	-	-50
Ken Broussard	<u>1,200</u>	<u>850</u>
	<u>\$ 14,550</u>	<u>\$ 9,550</u>

SUPPLEMENTAL INFORMATION

CALCASIEU PARISH PUBLIC TRUST AUTHORITY

Schedule of Assets, Liabilities and Net Assets by Fund

See Accompanying Independent Auditors Report

May 31, 2006

Assets	1989 Bond Fund	1992 Bond Fund	1997 Bond Fund	1998 Bond Fund	2000 Bond Fund	2001 Bond Fund	2002A Bond Fund	2002B Bond Fund	2003 Bond Fund	2004A Bond Fund	2004B Bond Fund	Operating Fund	Combined Totals
Cash and cash equivalents	\$ 973	\$	\$	\$ 131,290	\$ 83,094	\$ 35,261	\$ 5,009	\$ 30,644	\$ 44,469	\$ 23,636	\$ 58,768	\$ 413,165	\$ 846,309
Investment securities at fair value				152,936	17,299	290,335	114,362	152,410	121,949	540,569		1,867,325	8,232,285
Mortgage loans and mortgage-backed securities	97,046			4,187,338	698,744	5,330,756	955,225	1,188,899	3,924,511		4,134,127	700,855	21,417,901
Accrued interest receivable	650			24,563	4,984	27,469	5,156	3,200	17,174	19,836	17,959	20,750	141,741
Real estate acquired from foreclosures													
Bond issuance costs	1,662			42,863	4,327	125,181	29,237	17,104	30,860		236,746		487,982
Other assets													
Total assets	\$ 100,331	\$	\$	\$ 4,738,990	\$ 808,448	\$ 5,829,004	\$ 1,108,989	\$ 1,392,257	\$ 4,138,963	\$ 5,549,111	\$ 4,447,600	\$ 3,002,095	\$ 31,115,818
Liabilities and Net Assets													
Liabilities													
Accounts payable	\$ 8	\$	\$	\$ 2	\$ 3	\$ 14	\$	\$	\$ 1,000	\$	\$ 12,598	\$ 7,956	\$ 21,381
Bonds payable	98,884			4,164,494	812,428	5,673,977	1,074,200	790,000	4,018,529	5,505,669	4,225,474		26,363,655
Accrued interest payable	644			39,131	5,408	50,549	10,278	7,142	31,521	19,820	17,574		182,067
Total liabilities	99,536			4,203,627	817,839	5,724,540	1,084,478	797,142	4,051,050	5,525,489	4,255,646	7,956	26,567,303
Net Assets													
Restricted for debt	795			535,363	(9,391)	104,464	24,511	595,114	87,913	23,652	191,954		1,554,375
Unrestricted												2,994,140	2,994,140
Total net assets	795			535,363	(9,391)	104,464	24,511	595,114	87,913	23,652	191,954	2,994,140	4,548,515
Total liabilities and net assets	\$ 100,331	\$	\$	\$ 4,738,990	\$ 808,448	\$ 5,829,004	\$ 1,108,989	\$ 1,392,257	\$ 4,138,963	\$ 5,549,111	\$ 4,447,600	\$ 3,002,095	\$ 31,115,818

CALCASIEU PARISH PUBLIC TRUST AUTHORITY

Schedule of Revenues, Expenses
and Changes in Net Assets by Fund

See Accompanying Independent Auditor's Report

For the Year Ended May 31, 2006

	1989 Bond Fund	1992 Bond Fund	1997 Bond Fund	1998 Bond Fund	2000 Bond Fund	2001 Bond Fund	2002A Bond Fund	2002B Bond Fund	2003 Bond Fund	2004A Bond Fund	2004B Bond Fund	Operating Fund	Eliminating Entries	Combined Totals
Operating revenues:														
Investment income on mortgage loans	\$ 8,007	\$ 883	\$ 501	\$ 240,714	\$ 46,039	\$ 306,141	\$ 57,340	\$ 125,820	\$ 191,419	\$ -	\$ 137,550	\$ 2,115	\$ -	\$ 1,117,129
Investment income on investments	-	499	1,290	60,869	4,582	22,466	3,981	9,620	6,043	204,882	778	90,371	-	405,381
Commitment fees	-	-	-	-	-	-	-	-	-	-	-	109,621	(37,902)	71,719
Net recoveries from foreclosures	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total operating revenues	8,007	1,382	1,791	301,583	51,221	328,607	61,321	135,440	197,462	204,882	138,328	202,107	137,902	1,594,239
Operating expenses:														
Interest on debt	7,355	-	-	169,493	30,715	300,015	37,891	57,113	198,791	191,120	120,487	-	-	1,112,982
Amortization of bond issuance costs and other costs	92	-	-	53,421	1,389	19,875	25,128	17,180	1,769	-	6,160	-	-	125,014
Servicing and financing fees	50	-	-	33,019	1,364	7,655	3,782	61,583	7,172	-	-	-	(37,902)	76,721
Mortgage loan insurance costs	-	-	-	-	-	-	-	2,335	-	-	-	-	-	2,335
Loss from foreclosure	-	-	-	-	-	-	-	11,337	-	-	-	-	-	11,337
Trustee fees	50	-	-	-	-	-	-	750	-	-	739	16,332	-	17,871
Accounting and auditing fees	-	-	-	-	-	-	-	-	-	-	-	21,786	-	21,786
Depreciation expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other operating expenses	503	165	1,498	1,910	1,394	4,036	3,750	749	3,487	2,385	4,267	47,925	-	72,070
Total operating expenses	8,050	165	1,498	257,845	34,862	331,581	70,551	81,047	211,219	193,505	131,653	86,043	(37,902)	1,440,116
Change in Net Assets	\$ (43)	\$ 1,217	\$ 293	\$ 43,738	\$ 16,359	\$ (2,974)	\$ (9,230)	\$ (15,607)	\$ (13,757)	\$ 11,377	\$ 6,675	\$ 116,064	\$ -	\$ 154,113

CALCASIEU PARISH PUBLIC TRUST AUTHORITY

Schedule of Fund Equity by Fund

See Accompanying Independent Auditors' Report

For the Year Ended May 31, 2006

	1989 Bond Fund	1992 Bond Fund	1997 Bond Fund	1998 Bond Fund	2000 Bond Fund	2001 Bond Fund	2002A Bond Fund	2002B Bond Fund	2003 Bond Fund	2004A Bond Fund	2004B Bond Fund	Operating Fund	Combined Totals
Retained Earnings:													
Balance at beginning of year	\$ 838	\$ (27,599)	\$ (36,739)	\$ 244,605	\$ (74,758)	\$ (301,811)	\$ (396,874)	\$ 2,101,288	\$ (212,093)	\$ (11,325)	\$ (2,121)	\$ 714,734	\$ 1,998,145
Change in net assets	(43)	1,217	293	43,738	16,339	(2,974)	(9,230)	(15,607)	(13,757)	11,377	6,675	116,064	154,113
Residual capital transfers	-	-	-	-	-	(1,868)	-	-	-	-	-	-	(1,868)
Balance at end of year	795	(26,382)	(36,446)	288,343	(58,399)	(306,653)	(406,104)	2,085,681	(225,850)	52	4,554	830,798	2,150,390
Additional Paid-in Capital													
Balance at beginning of year	-	486,801	200,000	247,020	49,008	411,117	430,615	(1,490,567)	313,762	23,600	187,400	1,539,369	2,398,125
Transfers from other funds	-	-	-	-	-	-	-	-	-	-	-	623,973	623,973
Transfers to other funds	-	(480,419)	(163,554)	-	-	-	-	-	-	-	-	-	(623,973)
Balance at end of year	-	26,382	36,446	247,020	49,008	411,117	430,615	(1,490,567)	313,762	23,600	187,400	2,163,342	2,398,125
Total Fund Equity	795	-	-	535,363	(9,391)	104,464	24,511	595,114	87,913	23,652	191,954	2,994,140	4,548,515
Fund equity reserved by bond indentures	(795)	-	-	(535,363)	9,391	(104,464)	(24,511)	(595,114)	(87,913)	(23,652)	(191,954)	-	(1,554,375)
FUND EQUITY, unreserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,994,140	\$ 2,994,140

CALCASIEU PARISH PUBLIC TRUST AUTHORITY

Schedule of Cash Flows By Fund

See Accompanying Independent Auditors' Report

For the Year Ended May 31, 2006

	1989 Bond Fund	1992 Bond Fund	1997 Bond Fund	1998 Bond Fund	2000 Bond Fund	2001 Bond Fund	2002A Bond Fund	2002B Bond Fund	2003 Bond Fund	2004A Bond Fund	2004B Bond Fund	Operating Fund	Combined Totals
\$ (43) \$	1,217 \$	293 \$	43,738 \$	16,359 \$	(2,974) \$	(9,230) \$	(15,607) \$	(13,757) \$	11,377 \$	6,675 \$	116,064 \$	154,113	
14	-	1,496	(45,756)	(29,882)	(35,531)	(4,369)	17,180	(9,063)	-	(1,592)	-	(107,483)	
-	-	-	-	-	-	-	11,337	-	-	-	-	11,337	
23	2,145	787	5,013	1,532	7,748	1,818	4,308	2,100	(3,427)	(14,079)	(4,310)	4,358	
1	(91)	(1)	(2)	-	3	-	-	1,000	597	4,856	6,563		
(22)	-	(1,013)	(10,197)	(2,532)	(14,128)	(2,017)	(5,313)	(4,273)	1,963	13,789	-	(23,743)	
(27)	3,271	1,562	(7,184)	(14,923)	(44,882)	(13,798)	12,405	(23,793)	9,913	5,390	116,610	44,944	
(3,328)	-	(93,000)	(1,030,000)	(295,000)	(1,175,000)	(210,000)	(565,000)	(520,000)	-	(310,227)	-	(310,227)	
-	(460,419)	(34,240)	-	-	-	-	-	-	-	-	494,659	0	
(3,328)	(460,419)	(129,240)	(1,030,000)	(295,000)	(1,175,000)	(210,000)	(565,000)	(520,000)	-	(310,227)	494,659	(4,203,755)	
3,371	20,885	-	989,811	369,378	1,149,450	-	460,184	613,761	-	-	7,310	3,614,350	
-	-	-	-	-	-	-	-	-	-	-	(19,427)	(19,427)	
-	-	30,665	913,512	300,961	1,332,398	507,035	274,440	587,250	355,438	-	246,404	4,548,303	
-	-	-	(948,134)	(294,960)	(1,281,887)	(284,661)	(365,997)	(654,071)	-	-	(836,137)	(4,645,847)	
3,371	20,885	10,665	955,189	375,379	1,220,161	222,374	368,627	546,940	-	355,438	(601,850)	3,497,379	
16	(43,428)	(97,013)	(81,995)	65,856	279	(1,424)	(183,968)	3,147	9,913	50,601	9,419	(661,433)	
957	436,263	97,013	213,285	17,238	54,982	6,433	214,612	41,322	13,723	8,167	403,746	1,507,741	
\$ 973 \$	- \$	- \$	131,290 \$	83,094 \$	55,261 \$	5,009 \$	30,644 \$	44,469 \$	23,636 \$	58,768 \$	413,165 \$	\$ 846,309	

Cash Flows From Operating Activities:

Change in net assets:

Adjustments to reconcile to net cash provided by (used in) operating activities:

Amortization, net of accretion

Net recovery from foreclosures

Gain on sale of mortgage loans

Net change in:

Accrued interest receivable

Accounts payable

Accrued interest payable

NET CASH PROVIDED BY (USED IN)

OPERATING ACTIVITIES

Cash Flows From Financing Activities:

Proceeds from issuance of bonds

Principal payments on bonds

Fund transfers

Deferred financing costs

NET CASH PROVIDED BY (USED IN)

FINANCING ACTIVITIES

Cash Flows From Investing Activities:

Collections and sales of mortgage loans receivable

Purchase of mortgage loan

Proceeds from investment securities maturities

Purchases of investment securities

NET CASH PROVIDED BY

INVESTING ACTIVITIES

Net increase (decrease) in cash

Cash and cash equivalents, beginning of year

Cash and cash equivalents, end of year

Supplemental Disclosure: Cash paid for bond interest was \$1,009,238 and \$1,500,973 for 2006 and 2005, respectively.



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CENTER FOR PUBLIC
COMPANY AUDIT FIRMS

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Trustees
Calcasieu Parish Public Trust Authority
Lake Charles, LA

We have audited the financial statements of the Calcasieu Parish Public Trust Authority as of and for the years ended May 31, 2006 and 2005, and have issued our report thereon dated November 23, 2006. We conducted our audits in accordance with generally accepted auditing standards of the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Calcasieu Parish Public Trust Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Calcasieu Parish Public Trust Authority's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

To the Board of Trustees
Calcasieu Parish Public Trust Authority
Page 2

This report is intended for the information of the audit committee, management, the Calcasieu Parish Police Jury, and the Louisiana Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

Langley, William B., Jr.

Lake Charles, LA
November 23, 2006

Calcasieu Parish Public Trust Authority

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

May 31, 2006

We have audited the general purpose financial statements of Calcasieu Parish Public Trust Authority, as of and for the year ended May 31, 2006 and have issued our report thereon dated November 23, 2006. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our audit of the financial statements as of May 31, 2006 resulted in an unqualified opinion.

Section I Summary of Auditor's Reports

Report on Internal Control and Compliance Material to the General Purpose Financial Statements

Internal Control:

Material Weaknesses

☐ Yes ☒ No

Reportable Conditions

☐ Yes ☒ No

Compliance:

Compliance Material to

General Purpose Financial Statements

☐ Yes ☒ No

Section II Financial Statement Findings

NONE.

Section III Federal Award Findings and Questioned Costs

NOT APPLICABLE.

Calcasieu Parish Public Trust Authority
SCHEDULE OF PRIOR YEAR FINDINGS

May 31, 2006

2005

NOT APPLICABLE.